

## Starting the week on muted trading

### Market Review

**Malaysia:** The FBM KLCI (+0.04%) ended on a flattish note after a lacklustre trading session with half of the key index constituents closed in green. The lower liners ended marginally lower, while the healthcare sector (-1.0%) underperformed the mixed sectorial peers.

**Global markets:** Wall Street rebounded as the Dow (+1.2%) defended the 35,400 level in anticipation that the US Federal Reserve may keep the interest rate at current levels throughout the rest of the year. Both the European and Asia stockmarkets ended mixed.

### The Day Ahead

The local bourse ended relatively unchanged as investors are staying on the sidelines ahead of this weekend's state elections. We expect the muted trading sentiment to extend in coming days on the back of the absence of fresh leads. The lower liners may also experience similar movement as uncertainty over the outcome of Malaysia's state election persists. Going forward, the key focus will be on the release of Malaysia's industrial production data later today. Meanwhile, the improved market sentiment on Wall Street may see mild upsides permeating towards stocks across Bursa Exchange. Commodities wise, the Brent crude oil took a step back below USD86/bbl, while the CPO prices slipped below RM3,800/MT.

**Sector focus:** The approval of 57 Air Traffic Rights (ATR) applications in the 2Q23 may buoy the aviation and tourism-related sector. The positive developments on Nasdaq overnight may prop trading interests within the technology sector. On the other hand, we expect a pullback in the plantation sector in line with the weaker CPO prices.

### FBMKLCI Technical Outlook



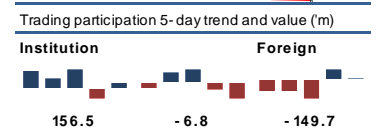
Bloomberg

The FBM KLCI ended flat, forming a doji candle to maintain above daily SMA200. Technical indicators remained mixed as the MACD Histogram extended another negative bar, while the RSI traded above 50. The immediate resistances are located along 1,460-1,480, while the support is pegged around 1,400-1,420.

**Research Team**  
[research@msec.com.my](mailto:research@msec.com.my)  
(603) 2201 2100

### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	35,473.13	1.16
S&P 500	4,518.44	0.90
NASDAQ	13,994.40	0.61
FBM KLCI	1,445.81	0.04
FBM Small Cap	1,425.03	-0.02
FBM ACE	5,253.39	-0.01
Construction	169.72	0.63
Consumer	556.36	0.01
Energy	829.54	0.38
Financial Services	1,172.26	0.19
Healthcare	1,727.56	-0.99
Ind Products	166.46	-0.02
Plantation	7,110.55	0.42
Property	769.44	-0.18
REITs	779.83	-0.03
Technology	63.46	-0.39
Telco & Media	579.80	-0.04
Transport	914.96	0.41
Utilities	1,047.43	0.55
Trading Vol (m)	3,132.29	16.71
Trading Val (RM m)	1344.75	(5.60)
Advance/Decline	69%	
FKLI	1,451.50	0.35
FCPO (RM)	3,787.00	0.40
Brent oil (USD)	85.34	(1.04)
Gold (USD)	1,936.56	(0.33)
USD	4.5600	(0.13)
GBP	5.8005	(0.24)
EURO	5.0005	(0.33)
SGD	3.3986	(0.23)



Source: Bloomberg, Bursa Market Place

## Company Brief

**TCS Group Holdings Bhd** has secured a construction contract worth RM10.7m from Impiana Impresif Sdn Bhd (IISB). TCS wholly owned subsidiary, TCS Construction Sdn Bhd accepted the letter of award (LoA) from IISB for the construction and completion of a sales gallery in Subang Jaya. The construction period is 8 months commencing from 1st September 2023 till 30th April 2024. (The Star)

**IHH Healthcare Bhd** has reported that Agilus Diagnostic Ltd, a subsidiary of its 31.2%-owned associate Fortis Healthcare Ltd, will be undertaking an initial public offering (IPO). The boards of both Fortis and Agilus had at their meetings held on 4th August 2023 considered and granted their approval for Agilus to initiate an IPO process via an offer of sale of equity shares to certain existing and eligible shareholders of Agilus in the IPO. (The Edge)

**Berjaya Corp Bhd** (BCorp) founder and adviser Tan Sri Vincent Tan and BCorp's unit **Berjaya Land Bhd** (BLand) have issued a letter of demand to caretaker Kedah Menteri Besar Datuk Seri Muhammad Sanusi Md Nor over alleged defamatory remarks relating to the Selangor Maritime Gateway (SMG) project. Tan and BLand are demanding a public apology and RM200.0m in compensation from the PAS leader over his remarks on the RM700.9m project involving the rehabilitation of the Klang River. (The Edge)

**MR DIY Group (M) Bhd** CEO Adrian Ong has been appointed to the **Maxis Bhd** board as an independent and non-executive director. Ong will be joining the board of the telco company effective 8th August 2023. Ong has served as CEO of MR DIY since 2019. He also served as non-executive chairman of MR DIY Holding (Thailand) Co Ltd. (The Edge)

**Optimax Holdings Bhd** has obtained a licence from the Ministry of Health to offer plastic surgery and aesthetic services at its Optimax Ipoh Specialist Centre. The strategic integration aligns with Optimax's business expansion strategy." (The Edge)

Trading in the securities of **Jerasia Capital Bhd** continues to be suspended from 8th August 2023 until further notice. Shares of the apparel manufacturer and fashion retailer would be suspended as it failed to submit its outstanding quarterly report for the financial period ended 31st May 2023 on or before 7th August 2023. Jerasia has reported that it is expected to submit its quarterly report to Bursa Malaysia no later than 18th August 2023. (The Edge)

**Yinson Holdings Bhd**'s offshore production business unit Yinson Production has secured a USD230.0m term loan facility in relation to FPSO Maria Quitéria. The loan facility was structured and arranged by Global Infrastructure Partners, an independent infrastructure fund manager with approximately USD100.0bn in assets under management. (The Edge)

## Technical Focus Tracker

Technical Focus Tracker											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Long Term Target (RM)	Support (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	PWF	20-Jul	0.760	0.765	0.800	0.850	0.700	0.695	0.750	-1.3%	On-going
2	SCOMNET	2-Aug	1.370	1.480	1.550	1.650	1.290	1.280	1.330	-2.9%	On-going

3Q23 Stock Picks											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Support 1 (RM)	Support 2 (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	ADVCON	4-Jul	0.355	0.395	0.425	0.320	0.295	0.280	0.365	2.8%	On-going
2	CARIMIN	4-Jul	0.735	0.775	0.835	0.705	0.660	0.640	0.895	21.8%	On-going
3	ECOWLD	4-Jul	0.815	0.900	0.950	0.790	0.750	0.735	0.920	12.9%	On-going
4	MCEMENT	4-Jul	3.080	3.320	3.500	2.880	2.700	2.640	3.150	2.3%	On-going
5	OSK	4-Jul	1.050	1.150	1.200	1.040	0.995	0.970	1.130	7.6%	On-going
6	RCECAP	4-Jul	2.350	2.500	2.600	2.220	2.120	2.070	2.240	-4.7%	On-going
7	SCICOM	4-Jul	1.170	1.360	1.450	1.110	1.070	1.040	1.140	-2.6%	On-going
8	SFPTTECH	4-Jul	0.960	1.150	1.260	0.940	0.895	0.870	1.080	12.5%	On-going
9	TEOSENG	4-Jul	0.920	1.000	1.050	0.880	0.820	0.800	1.020	10.9%	On-going
10	UCHITEC	4-Jul	3.530	3.700	3.850	3.420	3.320	3.240	3.490	-1.1%	On-going
11	WASCO	4-Jul	0.890	0.985	1.100	0.860	0.810	0.785	0.980	10.1%	On-going
12	WCEHB	4-Jul	0.635	0.730	0.820	0.610	0.545	0.535	0.700	10.2%	On-going
13	YTLPOWR	4-Jul	1.310	1.450	1.600	1.250	1.150	1.120	1.500	14.5%	On-going
Average Return										7.5%	

Technical Focus Tracker Summary	
Total recommendations	345
Total winners	212
Total losers	133
Portfolio performance (2020)	22.7%
Accuracy (2020)	53.3%
Portfolio performance (2021)	30.4%
Accuracy (2021)	66.4%
Portfolio performance (2022)	13.3%
Accuracy (2022)	62.9%
Portfolio performance (2023)	5.2%
Accuracy (2023)	60.0%
FBM KLCI (Since 30/12/2022)	-3.3%
FBM Small Cap (Since 30/12/2022)	3.4%
Malaysia GDP Growth (1Q23)	5.6%

## Disclaimer

Research analyst(s) of MSSB whom produced this report hereby certifies that the views expressed in this report accurately reflect his/her personal opinions about all of the subject corporation(s) and securities in this report. He/She does not carry out, whether for himself/herself or on behalf of MSSB or any other persons did not receive and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. As of the report date, the analyst whom prepared this report does not have any interest in the following securities covered in this report, unless otherwise stated.